

dependency treatment (inpatient and outpatient) is subject to a lifetime limit of 60 days; prescription drug mail-order option with \$8 copay per prescription

- **Lifetime Maximum** Unlimited for active employees; \$50,000 for Supplemental Benefits for retirees, excluding the first \$3,500 in each calendar year. However, retirees approaching the lifetime maximum can utilize network area benefits.

## NETWORK AREA BENEFITS

|                                            | <u>Network Benefits</u>                                                 | <u>Non-Network Benefits</u>                                                                                                                   |
|--------------------------------------------|-------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|
|                                            | All services and suppliers must be arranged by a Primary Care Physician | All covered expenses are subject to an annual deductible                                                                                      |
| Deductible                                 | None                                                                    | \$350 per individual with a two person maximum of two times the individual and a family maximum (three or more) of three times the individual |
| Maximum Out-of-Pocket                      | None                                                                    | \$2,350 per individual; \$3,700 per two person; and \$4,200 per family (three or more)                                                        |
| Coinsurance/Copayment                      |                                                                         |                                                                                                                                               |
| • Hospital Charges                         | 100%                                                                    | 80%                                                                                                                                           |
| • Surgical Charges                         | 100%                                                                    | 80%                                                                                                                                           |
| • Physician's In-Hospital Visits           | 100%                                                                    | 80%                                                                                                                                           |
| • Physician Home or Office Visits          | 100% after \$10 copayment/visit                                         | 80%                                                                                                                                           |
| • Diagnostic Laboratory and X-ray Services | 100%                                                                    | 80%                                                                                                                                           |

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|                      |                                                                                                    |                                                                                                                                               |
|----------------------|----------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|
| • Alternate Care     | 100%                                                                                               | 80% with some limitations; 0% hospice care                                                                                                    |
| • Prescription Drugs | 80%; separate \$50 annual deductible per participant; mail-order option \$8 copay per prescription | 80%; separate \$50 annual deductible per participant; mail-order option \$5 copay per prescription                                            |
| Lifetime Maximum     | Unlimited for active and retired employees                                                         | Unlimited for active employees; \$500,000 for retirees. However, retirees approaching the lifetime maximum may utilize network area benefits. |

E. Coordination of Benefits

Medicare carve-out basis for all benefit classes

F. Retiree Contribution

- (1) For retirements occurring before October 1, 1992

There are no retiree contributions with the exception of contributions paid by employees for sponsored dependents and certain Class II dependents.

- (2) For all other retirements

Annual SWBT contribution per retiree limited, starting in 1993, to lesser of defined dollar cap or the average benefit cost (before AT&T reimbursements and including

Medicare Part B and administrative expenses) determined with respect to the entire retiree/dependent population.

G. AT&T Cost Sharing

AT&T reimburses Southwestern Bell Corporation for certain claims incurred by pre-divestiture retirees under the Unfunded Benefits Cost Sharing Agreement and the 1983 Force Adjustment Cost Reimbursement and Indemnification Agreement.

Most employees retired prior to 1984 are covered by the Cost Sharing Agreement, which currently reimburses somewhat less than 16% of paid claims. A smaller group is covered under the 1983 Force Adjustment Agreement, for which the reimbursement is 100%. A final group is not reimbursed at all.

Reimbursements for the three years 1988 through 1991 have averaged 22% of paid claims. Reimbursements will continue for the lifetime of the affected retirees.

H. Medicare Part B  
Reimbursement

For each Medicare-eligible individual, equal to lesser of monthly Medicare Part B premium or \$50

## II. Dental Benefits

### A. Basic Plan Information

- (1) Plan Name: Southwestern Bell Corporation Dental Plan
- (2) Plan Sponsor: Southwestern Bell Corporation and Participating Subsidiaries
- (3) Plan Year: January 1 through December 31

### B. Eligibility

Regular active and temporary employees following six months of service and retired employees of Southwestern Bell Corporation and Participating Subsidiaries; spouses and other dependents are eligible for company paid coverage only while the retiree is living

### C. Requirements for Benefits

Service or disability retirement from the Southwestern Bell Corporation Management Pension Plan or the Southwestern Bell Corporation Pension Plan

### D. Benefits Defined

There are two separate benefit classes under the Plan:

- Fee-for-Service
- Dental Maintenance Organization (DMO)

Employees must enroll in one of the options, although switching from one option to the other is allowed on a monthly basis.

## FEE-FOR-SERVICE BENEFITS

### (1) Base Coverage

- Preventive Services 100% for oral exams, prophylaxis, fluoride treatments and space maintainers
- Diagnostic Services 100% for x-rays, full mouth x-rays and bite wing x-rays

### (2) Supplemental Coverage for Basic and Restorative Services

- Deductible \$50 per individual per lifetime
- Schedule 100% up to the schedule maximum for listed services for basic restorations, oral surgery, endodontics, periodontics and prosthodontics
- Maximum Benefit \$1,000 per individual per calendar year (includes base and supplemental coverage)

### (3) Orthodontic Coverage

- Deductible \$50 per individual per lifetime (combined with supplemental coverage)
- Schedule 100% up to the schedule maximum for listed services for prevention and correction of malocclusion of teeth
- Lifetime Maximum \$1,200 per individual per lifetime

## DMO BENEFITS

(Participation requires the use of only DMO dentists)

(1) Base Coverage: (Not  
subject to deductible)

- Preventive Services 100% for oral exams, prophylaxis, fluoride treatments and space maintainers
- Diagnostic Services 100% for x-rays, full mouth x-rays and bite wing x-rays
- Basic and Restorative Services 100% for basic minor restorations, oral surgery, endodontics and periodontics; except a 25% copayment for general anesthesia, molar endodontics and certain other procedures; 75% for prosthodontics (major restorations)
- Orthodontia 50% for prevention and correction of malocclusion of teeth subject to a \$1,350 per person maximum out-of-pocket per course of treatment

E. Coordination of Benefits

Benefits are coordinated with other plans so that payments total no more than 100% of covered charges.

F. Retiree Contribution

There are no retiree contributions.

G. AT&T Cost Sharing

AT&T reimburses Southwestern Bell Corporation for certain claims incurred by pre-divestiture retirees under the Unfunded

Benefits Cost Sharing Agreement and the 1983 Force Adjustment Cost Reimbursement and Indemnification Agreement.

Most employees retired prior to 1984 are covered by the Cost Sharing Agreement, which currently reimburses somewhat less than 16% of paid claims. A smaller group is covered under the 1983 Force Adjustment Agreement, for which the reimbursement is 100%. A final group is not reimbursed at all.

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### III. Basic Life Insurance Benefits

#### A. Basic Plan Information

- (1) Plan Name: Southwestern Bell Corporation Basic Group Life Insurance Program
- (2) Plan Sponsor: Southwestern Bell Corporation and Participating Subsidiaries
- (3) Plan Year: January 1 through December 31

- B. Eligibility Regular active employees and retired employees of Southwestern Bell Corporation and Participating Subsidiaries

- C. Requirements for Benefits Service or disability retirement from the Southwestern Bell Corporation Management Pension Plan or the Southwestern Bell Corporation Pension Plan

#### D. Benefits Defined

| (1) Retirement prior to December 1, 1957 | <u>Annual Basic Pay At Retirement</u> | <u>Basic Life Insurance 1991 and Later</u> |
|------------------------------------------|---------------------------------------|--------------------------------------------|
|                                          | Under \$3,000                         | \$1,500                                    |
|                                          | \$3,000-\$3,999                       | 2,000                                      |
|                                          | \$4,000-\$4,999                       | 2,500                                      |
|                                          | \$5,000-\$5,999                       | 3,000                                      |
|                                          | \$6,000-\$6,999                       | 3,500                                      |
|                                          | \$7,000-\$7,999                       | 4,000                                      |
|                                          | \$8,000-\$8,999                       | 4,500                                      |
|                                          | \$9,000 and over                      | 5,000                                      |

- (2) Retirement after  
November 30, 1957  
and not member of  
Senior Management  
Group:

(a) Basic Life Insurance Amount      100% of annual basic pay at retirement rounded to next higher multiple of \$1,000; for individuals retiring between January 1, 1979 and August 9, 1980, basic pay at normal retirement date used in lieu of basic pay at retirement.

(b) Reductions:

(i) Retirement after August 6, 1977      Basic life insurance amount in (a) reduced 10% for each year over age 65, with maximum reduction of 50%.

(ii) Retirement before August 7, 1977      Effective in 1991 and later, lesser of (i) or following percentage of basic life insurance amount based on date of retirement:

| <u>Date of Retirement</u> | <u>Percentage</u> |
|---------------------------|-------------------|
| 8/7/76-8/6/77             | 100%              |
| 8/7/75-8/6/76             | 90%               |
| 8/7/74-8/6/75             | 80%               |
| 8/7/73-8/6/74             | 70%               |
| 8/7/72-8/6/73             | 60%               |
| Before 8/7/72             | 50%               |

(c) Minimum Coverage      \$1,500

(3) Retirement after  
November 30, 1957  
and member of Senior  
Management Group:

(a) Retired before  
1984

Same benefits as in (2).

(b) All other

Basic life insurance amount equal to lesser  
of \$50,000 or 50% of annual basic pay at  
retirement.

E. Retiree Contribution

There are no retiree contributions.

#### IV. Telephone Concessions

A. Basic Plan Information

Telephone Concessions for Retired Employees

(1) Plan:

(2) Plan Sponsor:

Southwestern Bell Corporation and Participating Subsidiaries

(3) Plan Year:

January 1 through December 31

B. Eligibility

Retired employees of Southwestern Bell Corporation and Participating Subsidiaries; spouses are eligible for coverage for up to three months after the death of a retired employee

C. Requirements for Benefits

Service or disability retirement from the Southwestern Bell Corporation Management Pension Plan or the Southwestern Bell Corporation Pension Plan

D. Benefits Defined

\$30 IntraLATA; 100% Basic and Service Connection, Move, Charges

E. AT&T Cost Sharing

Pursuant to the AT&T/BOC Telephone Concession Service Agreement effective December 31, 1983, AT&T reimburses Southwestern Bell Corporation for a certain level of telephone concessions made to certain former SBC employees. These agreements are made on behalf of SBC's retired employees whose pensions became effective prior to January 1, 1984, and who (as of the effective date of the agreement) were eligible for a telephone concession. Since the agreement was related to the transfer of SBC's InterLATA toll service portion of its business operations to AT&T,

the reimbursement relates to the InterLATA toll telephone concessions. The monthly allowable reimbursement is the total of the retired employee's monthly InterLATA and IntraLATA charges. However, the reimbursement for any month will not exceed \$30 less that month's IntraLATA charges.

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## **EXHIBIT 6**

**Southwestern Bell Telephone Company Direct Case  
CC Docket No. 92-101**

**Southwestern Bell's Actuarial Assumptions**

## SUMMARY OF ACTUARIAL METHOD

### Projected Unit Credit Actuarial Cost Method (Service Prorate)

Expected benefits payable in the event of retirement based on the applicable actuarial assumptions are determined for all active and retired participants. The actuarial present value of these expected benefits constitutes the expected postretirement benefit obligation.

The projected benefits are allocated proportionately to each active participant's years of service through the expected retirement date. The service cost is equal to the actuarial present value of the benefits allocated to the current year; the accumulated postretirement benefit obligation is equal to the actuarial present value of the benefits allocated to all prior years.

The accumulated postretirement benefit obligation for participants currently receiving benefits and for active participants currently eligible for full benefits is the actuarial present value of the benefits expected to be paid. No service costs are calculated for these participants.

### Assets

Forecasted assets were based on the projected value of the Retirement Funding Account. The Retirement Funding Account was projected assuming:

1. Advance funding of basic life insurance benefits continues using the aggregate cost method and excluding from the liability calculations:
  - Benefits for participants (i) under age 50 with less than five years of service, or (ii) age 50 or older and age plus service less than 55
  - Benefits for key employees, based on the estimated key employee group on January 1, 1992
  - Benefits in excess of \$50,000 for the remaining participants
2. Benefit payments from the account are limited to \$50,000 for any individual.
3. Employer contributions are made on the last day of the plan year for which they apply.

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## SUMMARY OF ACTUARIAL ASSUMPTIONS

- |     |                               |                                                           |
|-----|-------------------------------|-----------------------------------------------------------|
| (1) | Discount Rate                 | 7.5% per year, compounded annually                        |
| (2) | Long-term Asset Return Rate   | 7.5% per year, compounded annually                        |
| (3) | 1992 Per Capita Costs         |                                                           |
|     | (a) Health                    | Age related; see Exhibit A                                |
|     | (b) Dental                    | Age related; see Exhibit B                                |
|     | (c) Life Insurance            | N/A                                                       |
|     | (d) Telephone Concessions     | \$415                                                     |
| (4) | Trend Rates                   |                                                           |
|     | (a) Health                    | Graded; see Exhibit A                                     |
|     | (b) Dental                    | Graded; see Exhibit B                                     |
|     | (c) Life Insurance            | N/A                                                       |
|     | (d) Telephone Concessions     | 2.0% per year, compounded annually                        |
| (5) | Medicare                      |                                                           |
|     | (a) Trend Rate                | Same as health trend rate                                 |
|     | (b) Part-B Premium Trend Rate | See Exhibit A                                             |
| (6) | Mortality                     | Rates from 1991 6-year experience study;<br>see Exhibit C |
| (7) | Retirement                    | Rates from 1991 6-year experience study;<br>see Exhibit D |
| (8) | Separation from Service       | Rates from 1991 6-year experience study;<br>see Exhibit E |
| (9) | Disablement                   | None                                                      |



- |      |                                                                                          |                                                                                                                                                    |
|------|------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|
| (10) | Salary Increase                                                                          | Management rates from 1991 5-year experience study; same rates used for nonmanagement employees; see Exhibit F                                     |
| (11) | Marital Status                                                                           | See Exhibit G                                                                                                                                      |
| (12) | New Entrants                                                                             | For purposes of the forecast, new entrants were added to maintain a stable population. Average hire age is 31. Average salary at hire increases 5% |
| (13) | Administrative Expenses                                                                  |                                                                                                                                                    |
|      | (a) Health                                                                               | \$343 per person in 1992, increasing 5% per year, compounded annually                                                                              |
|      | (b) Dental                                                                               | 1992 claim costs include 10% load for administration                                                                                               |
|      | (c) Life Insurance                                                                       | \$7.10 per retiree in 1992, increasing 5% per year, compounded annually                                                                            |
|      | (d) Telephone Concessions                                                                | None                                                                                                                                               |
| (14) | AT&T Reimbursements                                                                      |                                                                                                                                                    |
|      | (a) Health and Dental                                                                    | 22.0% of paid claims for retirees and dependents retired prior to 1984                                                                             |
|      | (b) Life Insurance                                                                       | None                                                                                                                                               |
|      | (c) Telephone Concessions                                                                | \$140; no escalation                                                                                                                               |
| (15) | Accrued/Prepaid Expense on January 1, 1992                                               | \$0                                                                                                                                                |
| (15) | Participants Assumed to Live Outside the Service Area of SBC (for Telephone Concessions) | 20%                                                                                                                                                |
| (17) | Other                                                                                    | Results reflect 1992 early retirement incentive program covering 1,700 nonmanagement employees                                                     |

**EXHIBIT A**  
**1992 RETIREE ANNUAL HEALTH CLAIM COSTS**  
**(before AT&T reimbursement)**

| <u>Age</u> | <u>Claim Cost</u> | <u>Medicare Part B<br/>Premium</u> |
|------------|-------------------|------------------------------------|
| 40-44      | \$1,693           | -                                  |
| 45-49      | 2,115             | -                                  |
| 50-54      | 2,624             | -                                  |
| 55-59      | 3,284             | -                                  |
| 60-64      | 4,080             | -                                  |
| 65-69      | 875               | \$382                              |
| 70-74      | 1,056             | 382                                |
| 75-79      | 1,277             | 382                                |
| 80-84      | 1,420             | 382                                |
| 85-89      | 1,564             | 382                                |
| 90+        | 1,818             | 382                                |

**ANNUAL INCREASE IN HEALTH CLAIMS**

| <u>Year</u> | <u>Pre-Age 65 Claims</u> | <u>Post-Age 65 Claims</u> | <u>Medicare Part B<br/>Premium</u> |
|-------------|--------------------------|---------------------------|------------------------------------|
| 1992        | 14.0%                    | 13.0%                     | 15.1%*                             |
| 1993        | 13.0                     | 12.0                      | 12.3 *                             |
| 1994        | 12.0                     | 11.0                      | 12.3 *                             |
| 1995        | 11.0                     | 10.0                      | 10.0                               |
| 1996        | 10.0                     | 10.0                      | 10.0                               |
| 1997        | 9.0                      | 9.0                       | 9.0                                |
| 1998        | 8.0                      | 8.0                       | 8.0                                |
| 1999        | 7.0                      | 7.0                       | 7.0                                |
| 2000+       | 6.0                      | 6.0                       | 6.0                                |

\* Legislated increase.

**EXHIBIT B**  
**1992 RETIREE ANNUAL DENTAL CLAIM COSTS**  
**(before AT&T reimbursement)**

| <u>Age</u> | <u>Claim Cost</u> |
|------------|-------------------|
| 40-44      | \$282             |
| 45-49      | 279               |
| 50-54      | 263               |
| 55-59      | 212               |
| 60-64      | 183               |
| 65-69      | 154               |
| 70-74      | 142               |
| 75-79      | 142               |
| 80-84      | 142               |
| 85-89      | 142               |
| 90+        | 142               |

**ANNUAL INCREASE IN DENTAL CLAIMS**

| <u>Year</u> | <u>Rate of Increase</u> |
|-------------|-------------------------|
| 1992        | 7.50%                   |
| 1993        | 7.25                    |
| 1994        | 7.00                    |
| 1995        | 6.75                    |
| 1996        | 6.50                    |
| 1997        | 6.25                    |
| 1998        | 6.00                    |
| 1999        | 5.75                    |
| 2000+       | 5.50                    |

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**EXHIBIT C1**  
**ANNUAL RATES OF MORTALITY**  
**ACTIVE MANAGEMENT EMPLOYEES**

| <u>Age</u> | <u>Rates of Mortality</u> |               | <u>Age</u> | <u>Rates of Mortality</u> |               |
|------------|---------------------------|---------------|------------|---------------------------|---------------|
|            | <u>Male</u>               | <u>Female</u> |            | <u>Male</u>               | <u>Female</u> |
| 15         | .0003                     | .0003         | 45         | .0017                     | .0011         |
| 16         | .0003                     | .0003         | 46         | .0018                     | .0012         |
| 17         | .0003                     | .0003         | 47         | .0019                     | .0013         |
| 18         | .0003                     | .0003         | 48         | .0020                     | .0014         |
| 19         | .0003                     | .0003         | 49         | .0022                     | .0016         |
| 20         | .0003                     | .0003         | 50         | .0024                     | .0017         |
| 21         | .0003                     | .0003         | 51         | .0026                     | .0018         |
| 22         | .0003                     | .0003         | 52         | .0028                     | .0020         |
| 23         | .0003                     | .0003         | 53         | .0030                     | .0022         |
| 24         | .0003                     | .0003         | 54         | .0032                     | .0024         |
| 25         | .0003                     | .0003         | 55         | .0034                     | .0026         |
| 26         | .0003                     | .0003         | 56         | .0037                     | .0028         |
| 27         | .0003                     | .0003         | 57         | .0040                     | .0030         |
| 28         | .0003                     | .0003         | 58         | .0044                     | .0033         |
| 29         | .0003                     | .0003         | 59         | .0048                     | .0036         |
| 30         | .0003                     | .0003         | 60         | .0052                     | .0039         |
| 31         | .0003                     | .0003         | 61         | .0056                     | .0042         |
| 32         | .0003                     | .0003         | 62         | .0060                     | .0045         |
| 33         | .0003                     | .0003         | 63         | .0069                     | .0052         |
| 34         | .0004                     | .0003         | 64         | .0078                     | .0060         |
| 35         | .0004                     | .0003         | 65         | .0088                     | .0068         |
| 36         | .0005                     | .0003         | 66         | .0098                     | .0077         |
| 37         | .0005                     | .0004         | 67         | .0108                     | .0086         |
| 38         | .0006                     | .0004         | 68         | .0119                     | .0096         |
| 39         | .0007                     | .0005         | 69         | .0130                     | .0106         |
| 40         | .0008                     | .0006         |            |                           |               |
| 41         | .0009                     | .0008         |            |                           |               |
| 42         | .0010                     | .0008         |            |                           |               |
| 43         | .0013                     | .0009         |            |                           |               |
| 44         | .0015                     | .0010         |            |                           |               |

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**EXHIBIT C2**  
**ANNUAL RATES OF MORTALITY**  
**ACTIVE NONMANAGEMENT EMPLOYEES**

| <u>Age</u> | <u>Rates of Mortality</u> |               | <u>Age</u> | <u>Rates of Mortality</u> |               |
|------------|---------------------------|---------------|------------|---------------------------|---------------|
|            | <u>Male</u>               | <u>Female</u> |            | <u>Male</u>               | <u>Female</u> |
| 15         | .0003                     | .0003         | 45         | .0018                     | .0013         |
| 16         | .0003                     | .0003         | 46         | .0020                     | .0013         |
| 17         | .0003                     | .0003         | 47         | .0022                     | .0014         |
| 18         | .0003                     | .0003         | 48         | .0025                     | .0014         |
| 19         | .0003                     | .0003         | 49         | .0027                     | .0014         |
| 20         | .0003                     | .0003         | 50         | .0029                     | .0015         |
| 21         | .0003                     | .0003         | 51         | .0032                     | .0015         |
| 22         | .0003                     | .0003         | 52         | .0032                     | .0016         |
| 23         | .0003                     | .0003         | 53         | .0033                     | .0016         |
| 24         | .0003                     | .0003         | 54         | .0034                     | .0017         |
| 25         | .0004                     | .0003         | 55         | .0035                     | .0018         |
| 26         | .0005                     | .0003         | 56         | .0038                     | .0019         |
| 27         | .0006                     | .0004         | 57         | .0041                     | .0020         |
| 28         | .0007                     | .0004         | 58         | .0045                     | .0023         |
| 29         | .0008                     | .0004         | 59         | .0048                     | .0025         |
| 30         | .0008                     | .0004         | 60         | .0051                     | .0027         |
| 31         | .0009                     | .0004         | 61         | .0050                     | .0029         |
| 32         | .0009                     | .0004         | 62         | .0058                     | .0032         |
| 33         | .0009                     | .0005         | 63         | .0078                     | .0040         |
| 34         | .0009                     | .0005         | 64         | .0090                     | .0048         |
| 35         | .0010                     | .0005         | 65         | .0100                     | .0055         |
| 36         | .0011                     | .0005         | 66         | .0110                     | .0067         |
| 37         | .0011                     | .0006         | 67         | .0129                     | .0075         |
| 38         | .0012                     | .0006         | 68         | .0140                     | .0088         |
| 39         | .0013                     | .0007         | 69         | .0160                     | .0100         |
| 40         | .0013                     | .0008         |            |                           |               |
| 41         | .0014                     | .0009         |            |                           |               |
| 42         | .0015                     | .0010         |            |                           |               |
| 43         | .0016                     | .0012         |            |                           |               |
| 44         | .0017                     | .0013         |            |                           |               |

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**EXHIBIT C3**  
**ANNUAL RATES OF MORTALITY**  
**RETIRED MANAGEMENT EMPLOYEES/SPOUSES**

| <u>Age</u> | <u>Rates of Mortality</u> |               | <u>Age</u> | <u>Rates of Mortality</u> |               |
|------------|---------------------------|---------------|------------|---------------------------|---------------|
|            | <u>Male</u>               | <u>Female</u> |            | <u>Male</u>               | <u>Female</u> |
| 45         | .037274                   | .024776       | 78         | .057644                   | .034846       |
| 46         | .032447                   | .021302       | 79         | .063769                   | .038369       |
| 47         | .028051                   | .018151       | 80         | .070367                   | .042367       |
| 48         | .024081                   | .015329       | 81         | .077410                   | .046919       |
| 49         | .020537                   | .012835       | 82         | .084854                   | .052020       |
| 50         | .017414                   | .010674       | 83         | .092649                   | .057644       |
| 51         | .014708                   | .008847       | 84         | .100745                   | .063769       |
| 52         | .012417                   | .007351       | 85         | .109094                   | .070367       |
| 53         | .010540                   | .006181       | 86         | .117962                   | .077410       |
| 54         | .009077                   | .005337       | 87         | .127177                   | .084854       |
| 55         | .008024                   | .004814       | 88         | .136869                   | .092649       |
| 56         | .007387                   | .004608       | 89         | .147116                   | .100745       |
| 57         | .007182                   | .004717       | 90         | .157992                   | .109094       |
| 58         | .007433                   | .004940       | 91         | .169303                   | .117962       |
| 59         | .007965                   | .005377       | 92         | .180937                   | .127177       |
| 60         | .008700                   | .005824       | 93         | .192857                   | .136869       |
| 61         | .009561                   | .006267       | 94         | .207009                   | .147116       |
| 62         | .010576                   | .006782       | 95         | .222382                   | .157992       |
| 63         | .011771                   | .007333       | 96         | .236014                   | .169303       |
| 64         | .013175                   | .007965       | 97         | .250756                   | .180937       |
| 65         | .014812                   | .008700       | 98         | .265763                   | .192857       |
| 66         | .016700                   | .009561       | 99         | .284196                   | .207009       |
| 67         | .018814                   | .010576       | 100        | .303226                   | .222382       |
| 68         | .021118                   | .011771       | 101        | .324032                   | .236014       |
| 69         | .023576                   | .013175       | 102        | .346799                   | .250756       |
| 70         | .026154                   | .014812       | 103        | .373447                   | .265763       |
| 71         | .028836                   | .016700       | 104        | .405892                   | .284196       |
| 72         | .031702                   | .018814       | 105        | .446054                   | .303226       |
| 73         | .034846                   | .021118       | 106        | .495848                   | .324032       |
| 74         | .038369                   | .023576       | 107        | .557192                   | .346799       |
| 75         | .042367                   | .026154       | 108        | .632005                   | .373447       |
| 76         | .046919                   | .028836       | 109        | .722204                   | .405892       |
| 77         | .052020                   | .031702       | 110        | 1.000000                  | 1.000000      |

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TPF&C

a Towers Perrin company

**EXHIBIT C4**  
**ANNUAL RATES OF MORTALITY**  
**RETIRED NONMANAGEMENT EMPLOYEES/SPOUSES**

| <u>Age</u> | <u>Rates of Mortality</u> |               | <u>Age</u> | <u>Rates of Mortality</u> |               |
|------------|---------------------------|---------------|------------|---------------------------|---------------|
|            | <u>Male</u>               | <u>Female</u> |            | <u>Male</u>               | <u>Female</u> |
| 45         | .025847                   | .019952       | 78         | .063769                   | .038369       |
| 46         | .022551                   | .017201       | 79         | .070367                   | .042367       |
| 47         | .019581                   | .014729       | 80         | .077410                   | .046919       |
| 48         | .016937                   | .012535       | 81         | .084854                   | .052020       |
| 49         | .014614                   | .010624       | 82         | .092649                   | .057644       |
| 50         | .012608                   | .008997       | 83         | .100745                   | .063769       |
| 51         | .010917                   | .007651       | 84         | .109094                   | .070367       |
| 52         | .009540                   | .006581       | 85         | .117962                   | .077410       |
| 53         | .008477                   | .005767       | 86         | .127177                   | .084854       |
| 54         | .007724                   | .005264       | 87         | .136869                   | .092649       |
| 55         | .007287                   | .005008       | 88         | .147116                   | .100745       |
| 56         | .007182                   | .005017       | 89         | .157992                   | .109094       |
| 57         | .007433                   | .004940       | 90         | .169303                   | .117962       |
| 58         | .007965                   | .005377       | 91         | .180937                   | .127177       |
| 59         | .008700                   | .005824       | 92         | .192857                   | .136869       |
| 60         | .009561                   | .006267       | 93         | .207009                   | .147116       |
| 61         | .010576                   | .006782       | 94         | .222362                   | .157992       |
| 62         | .011771                   | .007333       | 95         | .236014                   | .169303       |
| 63         | .013175                   | .007965       | 96         | .250756                   | .180937       |
| 64         | .014812                   | .008700       | 97         | .265763                   | .192857       |
| 65         | .016700                   | .009561       | 98         | .284196                   | .207009       |
| 66         | .018814                   | .010576       | 99         | .303226                   | .222362       |
| 67         | .021118                   | .011771       | 100        | .324032                   | .236014       |
| 68         | .023576                   | .013175       | 101        | .346799                   | .250756       |
| 69         | .026154                   | .014812       | 102        | .373447                   | .265763       |
| 70         | .028835                   | .016700       | 103        | .405892                   | .284196       |
| 71         | .031702                   | .018814       | 104        | .446054                   | .303226       |
| 72         | .034845                   | .021118       | 105        | .495848                   | .324032       |
| 73         | .038359                   | .023576       | 106        | .557192                   | .346799       |
| 74         | .042367                   | .026154       | 107        | .632005                   | .373447       |
| 75         | .046919                   | .028835       | 108        | .722204                   | .405892       |
| 76         | .052020                   | .031702       | 109        | .950000                   | .446054       |
| 77         | .057644                   | .034846       | 110        | 1.000000                  | 1.000000      |

**EXHIBIT D1**  
**ANNUAL RATES OF RETIREMENT**  
**MANAGEMENT EMPLOYEES**

**Rates of Retirement**

| <u>Age</u> | <u>Male with following</u><br><u>years of service:</u> |            | <u>Female with following</u><br><u>years of service:</u> |            |
|------------|--------------------------------------------------------|------------|----------------------------------------------------------|------------|
|            | <u>20-29</u>                                           | <u>30+</u> | <u>20-29</u>                                             | <u>30+</u> |
| 45         | N/A                                                    | .050       | N/A                                                      | .100       |
| 46         | N/A                                                    | .050       | N/A                                                      | .100       |
| 47         | N/A                                                    | .050       | N/A                                                      | .100       |
| 48         | N/A                                                    | .050       | N/A                                                      | .100       |
| 49         | N/A                                                    | .050       | N/A                                                      | .100       |
| 50         | .020                                                   | .050       | .050                                                     | .100       |
| 51         | .030                                                   | .050       | .070                                                     | .125       |
| 52         | .040                                                   | .050       | .100                                                     | .150       |
| 53         | .050                                                   | .050       | .130                                                     | .175       |
| 54         | .060                                                   | .080       | .160                                                     | .200       |
| 55         | .100                                                   | .120       | .190                                                     | .225       |
| 56         | .120                                                   | .160       | .220                                                     | .250       |
| 57         | .140                                                   | .200       | .250                                                     | .275       |
| 58         | .160                                                   | .240       | .280                                                     | .300       |
| 59         | .180                                                   | .280       | .310                                                     | .325       |
| 60         | .200                                                   | .320       | .340                                                     | .350       |
| 61         | .250                                                   | .360       | .370                                                     | .375       |
| 62         | .400                                                   | .400       | .400                                                     | .400       |
| 63         | .400                                                   | .400       | .400                                                     | .400       |
| 64         | .400                                                   | .400       | .400                                                     | .400       |
| 65         | .400                                                   | .400       | .400                                                     | .400       |
| 66         | .400                                                   | .400       | .400                                                     | .400       |
| 67         | .400                                                   | .400       | .400                                                     | .400       |
| 68         | .400                                                   | .400       | .400                                                     | .400       |
| 69         | .400                                                   | .400       | .400                                                     | .400       |
| 70         | 1.000                                                  | 1.000      | 1.000                                                    | 1.000      |



**EXHIBIT D2**  
**ANNUAL RATES OF RETIREMENT**  
**NONMANAGEMENT EMPLOYEES**

**Rates of Retirement**

|            | Male with following<br><u>years of service:</u> |            | Female with following<br><u>years of service:</u> |            |
|------------|-------------------------------------------------|------------|---------------------------------------------------|------------|
| <u>Age</u> | <u>20-29</u>                                    | <u>30+</u> | <u>20-29</u>                                      | <u>30+</u> |
| 45         | N/A                                             | .050       | N/A                                               | .100       |
| 46         | N/A                                             | .050       | N/A                                               | .100       |
| 47         | N/A                                             | .050       | N/A                                               | .100       |
| 48         | N/A                                             | .050       | N/A                                               | .100       |
| 49         | N/A                                             | .050       | N/A                                               | .100       |
| 50         | .020                                            | .050       | .060                                              | .100       |
| 51         | .030                                            | .050       | .070                                              | .100       |
| 52         | .040                                            | .050       | .080                                              | .100       |
| 53         | .060                                            | .070       | .090                                              | .100       |
| 54         | .070                                            | .090       | .100                                              | .120       |
| 55         | .080                                            | .110       | .160                                              | .140       |
| 56         | .090                                            | .130       | .160                                              | .160       |
| 57         | .120                                            | .150       | .160                                              | .180       |
| 58         | .130                                            | .170       | .160                                              | .180       |
| 59         | .150                                            | .190       | .180                                              | .220       |
| 60         | .160                                            | .210       | .200                                              | .240       |
| 61         | .190                                            | .280       | .220                                              | .260       |
| 62         | .350                                            | .350       | .350                                              | .350       |
| 63         | .350                                            | .350       | .350                                              | .350       |
| 64         | .350                                            | .350       | .350                                              | .350       |
| 65         | .350                                            | .350       | .350                                              | .350       |
| 66         | .350                                            | .350       | .350                                              | .350       |
| 67         | .350                                            | .350       | .350                                              | .350       |
| 68         | .350                                            | .350       | .350                                              | .350       |
| 69         | .350                                            | .350       | .350                                              | .350       |
| 70         | 1.000                                           | 1.000      | 1.000                                             | 1.000      |